May 18 1 27 PH '98

5/12/98

Debbie Manzano Federal Election Commission 999 E Street, N.W. Washington, D.C. 20463

Dear Ms. Manzano

Reference: Year End (7/1/97-12/31/97) and April Quarterly (1/1/98-3/31/98) Reports

In response to your attached inquiry on administrative expenses, please review the following reasons:

The work performed for the PACEG Committee is negligible and is done on a volunteer basis.

The nominal amount of supplies of paper, postage, envelopes, etc. was purchased and shown as an expense in a prior year.

If you have any questions, please contact me.

Sincerely

La Verne Milbrandt

Treasurer

PACEG Committee

WASHINGTON, D.C. 20463

MAY 6 1999

RQ-2

Laverne C. Milbrandt, Treasurer PACEG Committee 666 Grand Avenue, Box 855 Des Moines, IA 50304

Identification Number:

C00074633

Reference:

Year End (7/1/97-12/31/97) and April Quarterly (1/1/98-3/31/98)

Reports

Dear Ms. Milbrandt:

This letter is prompted by the Commission's preliminary review of the report(s) referenced above. The review raised questions concerning certain information contained in the report(s). An itemization follows:

-Your report discloses no payments for administrative expenses. Administrative expenses are payments made for the purpose of operating a political committee including, but not limited to, rent, utilities, salaries, telephone service, office equipment and supplies. Any such payments to a person aggregating in excess of \$200 in a calendar year must be disclosed on Schedule B, supporting Line 21(b) of the Detailed Summary Page. 2 U.S.C. §434(b)(5) If these expenses are being paid by a connected organization, your Statement of Organization must be amended to reflect this relationship. 2 U.S.C. §433(b)(2) In addition, if expenses have been incurred but not paid in a reporting period, the activity should be disclosed as a debt on Schedule D, if the obligation is \$500 or more, or outstanding for sixty days or more. 11 CFR §104.11

Any goods or services provided to your committee by a person, except volunteer activity (i.e., a person's time), would be considered an in-kind contribution from that person, and would be subject to the disclosure requirements of 2 U.S.C. §434(b)(3) and 11 CFR §104.13, and the limitations and prohibitions of 2 U.S.C. §8441a and 441b.

Clarification regarding administrative expenses should be disclosed <u>during</u> each two year election cycle beginning with the first report filed in the

non-election year. Please verify that all expenses referenced above (i.e., rent, salaries, utilities, etc.) have been adequately disclosed. If these services have been provided by volunteers, please confirm this in writing.

A written response or an amendment to your original report(s) correcting the above problem(s) should be filed with the Federal Election Commission within fifteen (15) days of the date of this letter. If you need assistance, please feel free to contact me on our toll-free number, (800) 424-9530. My local number is (202) 694-1130.

Sincerely,

Debbie Manzano

Senior Reports Analyst

Reports Analysis Division

Debbie Manzans

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## Federal Election Commission

## ENVELOPE REPLACEMENT PAGE FOR INCOMING DOCUMENTS

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